Sheffield City Council

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Report of:	*Chief Executive*
Report to:	*Leader of the Council*
Date of Decision:	*17/05/22*
Subject:	*Introduction of hybrid working*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes ☒ No ☐
- Expenditure and/or savings over £500,000	☒
- Affects 2 or more Wards	☐

Which Cabinet Member Portfolio does this relate to? Leader of the Council

Which Scrutiny and Policy Development Committee does this relate to? *Overview and Scrutiny Management Committee*

Has an Equality Impact Assessment (EIA) been undertaken?	Yes ☒ No ☐

If YES, what EIA reference number has it been given? EIA *1028.*

Does the report contain confidential or exempt information?	Yes ☐ No ☒

If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-

*"The (**report/appendix**) is not for publication because it contains exempt information under Paragraph (**insert relevant paragraph number**) of Schedule 12A of the Local Government Act 1972 (as amended)."*

Purpose of Report:

During the initial stages of the Covid-19 pandemic, the Government introduced a requirement for everyone to work from home where possible. A large proportion of the Council's office-based workforce began working from home in March 2020 and have continued to do so since that time.

This report outlines plans for a partial return to the worksite from April 2022 for that cohort of staff who have continued to work from home throughout, and the introduction of a flexible 'hybrid' working style enabling the benefits of working from

home to be combined with the advantages of being in the worksite. This report requests authorisation for expenditure to support this transition, primarily for the purposes of purchasing additional office furniture and improvement works to Wifi capabilities in the Council's office estate.

Recommendations:

That the Leader
- Notes and endorses the managed partial return to the worksite for those employees currently working from home be implemented from April 2022 in line with the proposals in this report.
- Approves expenditure not exceeding £1m, funded from a specific reserve set aside for this purpose, be authorised to facilitate the partial return to the worksite as set out in this report.
- To the extent not covered by existing delegations authorises the Director of Transport, Facilities and Repairs (Direct Services) be granted delegated authority, in consultation with the Director of Finance and Commercial Services and the Director of Human Resources and Customer Services to implement the recommendations of this report and to make any necessary consequential arrangements.
- Notes that the Director of Human Resources and Customer Services, in consultation with the Executive Member for Finance and Resources and in line with normal consultation practices with the joint Trades Unions will make any changes necessary to HR policies to enable this change to take effect.

Background Papers:

Findings of the Aberley survey of employees regarding the future of the workplace (attached as appendix A)

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: *Ryan Keyworth – Director of Finance and Commercial Services*
		Legal: *David Hollis – Assistant Director legal and Governance*
		Equalities: *James Henderson, Director of Policy, Performance and Communications*
	Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.	
2	**EMT member who approved submission:**	Ajman Ali
3	**Cabinet Member consulted:**	Cate McDonald
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: **Nathan Rodgers**	**Job Title:** **Head of Facilities Management**
	Date:17.05.22	

1.0 PROPOSAL

1.1   Background

1.1.1   During the initial stages of the Covid-19 pandemic, the Government introduced a requirement for everyone to work from home where possible. A large proportion of Sheffield City Council's office-based workforce began working from home in March 2020 and have continued to do so since that time. With the widespread transmission of the virus and no effective preventative measures such as vaccines being widely available until mid-2021, the council decided that working from home would continue to be the default position for those employees for who this was an option.

1.1.2   Very many of the council's staff have, however, remained in work throughout the pandemic, providing services directly to the public and communities. Other staff have returned to the office over the course of the pandemic where it was judged necessary for the purposes of service delivery. Where staff have been providing vital services from the office or other worksite (including in people's homes in some cases), risk assessments and safe systems of work have been introduced to ensure the health, safety and wellbeing of those employees.

1.1.3   The Council has introduced a small number of bookable desks and meeting rooms in its main office buildings that can be used by staff and teams who have been working from home.

1.1.4   Continued working from home has been an important measure to help control the spread of the virus during the course of the pandemic and was reintroduced as Government Guidance following increases in cases of the Omicron variant . Following the removal of all Covid-19 restrictions this month, and the success of the vaccination programme in breaking the link between Covid-19 transmission and severe disease and death, it is appropriate to reconsider whether this default position is the correct one. Many organisations, both in the public and private sectors have already moved away from a default working from home assumption, and it is now timely for Sheffield City Council to consider its position.

1.2   Workplace of the Future survey

1.2.1   During April and May of 2021, the Workplace of the Future programme commissioned Aberley (a specialist facilities management consultancy) to conduct a survey of Council employees who were working from home at that point to understand their preferences regarding their future working arrangements. Almost 3,000 staff responded to this survey, and whilst there was a diversity of views about people's preferred options for their future working arrangements. The full survey results are appended to this report at **Appendix A,** but in summary:

1.2.2   Most people said that they had enjoyed the improved work-life balance and flexibility of working from home, and that many had experienced benefits in terms of their mental health, their ability to manage childcare and caring responsibilities, and by not having to commute to the office. But for some people working from home has blurred the boundaries between life and work, with others feeling more isolated, or missing the collaboration and interaction with colleagues that they gain from being in the office.

1.2.3   Overall, over half of people responding to the survey said that they would like to retain the flexibility of being able to work from home part of the time with being in the office for between 2 and 3 days per week. This arrangement is sometimes known as hybrid working.

1.3   <u>Hybrid working proposal</u>
1.3.1   Accordingly, it is proposed that the council prepares for the introduction of hybrid working as its default approach for the cohort of staff who have been working from home during the pandemic and introduces an expectation that everyone in this cohort works from home for part of the week and works in the office (or other worksite) for the rest of the time. In order to assist in planning for this change, it is proposed that a working assumption of at least 40% of the working week being spent at a worksite is introduced.

1.3.2   However, it is recognised that the scale and diversity of the council and the services it provides will mean that a single prescribed model of hybrid working is unlikely to be viable. Therefore, it is suggested that there be local flexibility in implementing this change within these planning assumptions and based on the circumstances of different teams and individuals. Those already authorised to work in the office for more than 40% of their time are likely to still need to do so.

1.3.3   In particular, it is proposed that the individual risk assessment process, introduced during the pandemic, is retained and used to identify any reasonable adjustments that may need to be made for individuals to support them in their return to the workplace.

1.3.4   It is further proposed that each team/service returns to the space that they occupied prior to the Covid-19 pandemic. For some teams that have already returned to the worksite this was to a different location than the one they originally occupied. Therefore, there will need to be a process of relocation of these teams back to their original spaces as a first step in this process.

1.3.5   Although the space that each team/service will occupy will be the same as before the pandemic, only 50% of the desk-space will be available to use. This is for a number of reasons:
•   It will provide the flexibility to use space differently, including introducing more drop-down collaboration spaces

- Provide an opportunity to assess how much accommodation is required following an evaluation period, potentially leading to efficiencies for the council in the future
- Because office equipment was removed to employees' homes to enable them to work from home effectively during the pandemic, and because hybrid working will mean that there will still be a requirement for employees to have the equipment at home, there is an insufficient supply of desks, chairs etc to enable all of the existing space to be used without significant additional expenditure on new furniture.

1.3.6   Therefore, local planning for the return to the worksite will be predicated on a 50% utilisation of the available space, which will in turn mean that all space across the office estate will be 'hot desked'. The only exception to this will be for employees with reasonable adjustments (such as specialist chairs, desks or other equipment) where this will be provided both at home and in the office. Nevertheless, there will be a requirement for additional expenditure on office furniture and equipment to facilitate this change. This is detailed in the financial implications section of this report.

1.3.7   It is suggested that the partial return to the worksite proceeds on a phased basis from April 2022, with all teams working in this way by July 2022 at the latest.

1.4   Health, Wellbeing and Covid-safety
1.4.1   The health, wellbeing and safety of our staff is paramount, particularly at a point where the Covid-19 virus is still in widespread community transmission, and the risk of harm, particularly in those who are unvaccinated continues to be high.

1.4.2   Building risk assessments have been in place throughout Covid-19 for all SCC accommodation. These will be updated to reflect the proposed change in working arrangements. To facilitate the partial return to the worksite, some of our current policy will need to change as follows:

- Strict adherence to social distancing in our buildings will be removed, with no requirement to maintain a 2m distance at all times. However, employees will be asked to maintain distance wherever possible and to treat their colleagues with kindness and respect, recognising that others experience during the pandemic may have been very different to their own.
- Individual Health Needs Risk Assessments will be available to inform any decisions needed to take account of individuals' circumstances.
- Other Covid-19 safety measures will be in place, including the recommended use of face coverings (unless exempt) when moving around the building, enhanced cleaning regimes, increased ventilation etc.

1.4.3   There is no ability for the council to prevent employees who have chosen not to be vaccinated from attending the workplace it remains the council's position that all staff are strongly encouraged to take up the offer of vaccination (including boosters).

1.5   Information Technology

1.5.1   During the early stages of the pandemic, the council made significant investment in its remote working capabilities, including fast-tracking the roll-out of much of the Tech 2020 programme. This has led to an increasingly modern, high performing ICT set-up that has enabled employees to maintain high levels of productivity while working from home. Much of what would have happened face-to-face is now able to be conducted virtually, using Teams functionality as part of the Microsoft 365 agreement.

1.5.2   The return to the worksite will present some additional challenges from an ICT perspective, including the fact that the Wi-Fi capabilities in our main office buildings are ageing and unlikely to be able to meet the demand for a continued high level of virtual meetings conducted from the office. Most of the time staff will be encouraged to use a network connection rather than relying on Wi-Fi, but this will only be an option when sitting at a desk. When in a meeting or moving round the building, there will be a reliance on Wi-Fi for connectivity to the internet. An upgrade of the Wi-Fi hardware would have been required in the near future in any event (particularly given that the current infrastructure is at end of life and out of support from the vendor), but it would be advisable to start to review this as part of the preparation for the return to the worksite from April.

1.6   Governance
         A project team, led by Nathan Rodgers, has been established to coordinate the partial return to the worksite proposals set out above. This project team includes representatives from BCIS, HR, Facilities Management, Public Health, and Communications. The project team will report into the Coronavirus Response Group and the Our Sheffield Board.

2.0   HOW DOES THIS DECISION CONTRIBUTE?

2.1   This proposal will help to contribute to our One Year Plan commitments, particularly around supporting our ways of working:

- being collaborative, working with all partners and citizens; providing leadership and support where it's needed and getting out of the way where we need to. Within SCC we will strive to work as 'One Council' with common purpose.
- Connected to our communities and citizens: a council in and of our communities – working in the open, with and alongside people – a visible, accessible organisation

- Committed to excellence: with a strong performance culture; an organisation that empowers staff to try and to learn; and which values, focus, follow through, and getting things done. We invest in the talent and development of our staff so that those who work for SCC are the best they can be.

2.2 It will have a positive benefit in terms of the ability of our teams to collaborate and will provide wellbeing benefits through increased interaction and decreased isolation, supporting our commitment to become a more agile council, although this needs to be set against the benefits that many of our staff have reported of being able to work from home full time over the last 2 years, including positive mental health benefits for some. This is explored further in the equality implications section below.

2.3 The proposal will also have a small positive benefit on the city centre economy, supporting business recovery.

3.0 HAS THERE BEEN ANY CONSULTATION?

3.1 The Trade Unions have been consulted on the proposal and are supportive of the council's position.

3.2 Employees were consulted on their preferred future working arrangements as part of the survey conducted in spring 2021 as set out above. Feedback received from this survey has been instrumental in shaping the proposal. Subsequently staff have been briefed on the proposals at a series of all-staff online workshops and have had the ability to feed back comments and concerns. These are being collated and will be taken into account as part of the detailed design of the new arrangements. The proposals have been shared via staff communications and on the Council's intranet site.

4.0 RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

4.1.1 An Equality Impact Assessment has been completed for this proposal. It highlights that there are likely to be impacts for some groups of staff (particularly for older people, for those who are disabled, those who are carers and for pregnant women).

4.1.2 The mitigations that are detailed in this report, particularly in terms of the flexible approach to the move to hybrid working that is being proposed, the continued use of Covid-19 safety measures, the continued requirement for individual and generic risk assessments and safe systems of work all help to reduce the impact for these groups. It is also noted that there are some positive health impacts of this proposal, particularly in terms of mental health and wellbeing.

4.2   <u>Financial and Commercial Implications</u>

4.2.1   The estimated costs of supporting the planned return to the workplace are as follows:

Upgraded / replaced WIFI	£500k
Additional furniture (including Workplace Adjustments & IT peripherals) and associated removal costs	£350k
Project Manager (6 months)	£30k

4.2.2   Some of the work / equipment required will have a lead-time and current pricing uncertainty means that it is difficult to be precise on costs. It is therefore recommended that a budget of **up to £1m** be approved to cover the work recommended in this report.

4.2.3   There is no provision in the 2021/22 budget for these costs. However, a specific reserve exists that can be used to support this work without affecting the financial position reported in the Medium-Term Financial Analysis or the 2022/23 Budget.

4.3   <u>Legal Implications</u>

4.3.1   There are no remaining Covid-19 legal restrictions in force.

4.3.2   Under the Health and safety at Work Act 1974 the Council as an employer has a general duty to ensure, so far as is reasonably practicable, the health, safety and welfare at work of all its employees. This includes 'the provision and maintenance of a working environment for [its] employees that is, so far as is reasonably practicable, safe, without risks to health, and adequate as regards facilities and arrangements for their welfare at work'.

4.3.3   There is a similar general duty under that legislation to non-employees and that will be relevant where the return to work requires more non - employees to attend Council buildings or impacts on those already attending.

4.3.4   These duties will be delivered via the risk assessments which should have regard to the Government's Covid-19 workplace guidance and that issued by the Health and Safety Executive guidance, including that specifically aimed at reducing risks from Covid-19. This guidance is due to be reviewed on 23 March 2022

4.3.5   There are obligations under the Equality Act 2010 that are engaged by these proposals and these will be considered within the equality impact assessment and within the HR proposals for revised policies together with the Individual Health Needs assessments.

4.4   HR Implications

4.4.1   There will be a need to review some existing policies, procedures and
        guidance relating to working arrangements and expenses in order to
        support hybrid working where employees will continue to work from
        home for a significant proportion of their working time. The extent of
        the revisions required will vary, and many requirements will be
        accommodated by a revision of supporting guidance to illustrate the
        application of existing policies. Policies impacted are:

        - Expenses Policy (travel and mileage)
          Flexible Working Policy
          Flexi Time and Time Off in Lieu Policy
          Managing Absence Procedure
          Occasional Working from Home Policy

4.4.2   There will be a need to develop management practice in terms of
        managing remote teams and employee health, safety and wellbeing in
        order to support continued remote working. This will be building upon
        practices and support developed during the pandemic response

4.5   Property Implications

4.5.1   The use of the SCC estate over the past 2 years has been significantly
        reduced from that of pre COVID. Initially only core operational sites
        remained open, followed by selected public facing and community use
        facilities and subsequently other buildings based on demand.

4.5.2   All sites that were open through the pandemic were made COVID
        Secure following the guidance as detailed at the time by Central
        Government. Although these restrictions have now been relaxed, there
        remain COVID measures across the estate including signage to
        support the use of face coverings and increased good hygiene
        practices.

4.5.3   During the early stages of COVID a 'Working From Home' project
        team was set up to ensure that SCC employees working from home
        were provided with the right and appropriate office equipment to
        enable them to work safely and comfortable from home. This involved
        providing office chairs, monitors, keyboards and mice – these items
        were, in the main, taken from the Moorfoot building leaving
        approximately 25% remaining in the building for those employees who
        worked in the building throughout the pandemic.

4.5.4   There will be a need to review the accommodation space as part of
        the Return to the Workspace, each site will need to be visited and
        CAD drawings created to reflect the proposed 50% use of the pre-
        pandemic space. This space will then need to be discussed with
        service leads to ensure it meets their. Once agreed, office equipment
        requirements will need to be confirmed along with any employee

workplace adjustments that may have been taken to work from home by individuals

4.6   Environmental and Climate Change Implications

4.6.1.   The climate implications of this change are difficult to calculate because of a lack of baseline data for either the carbon emissions associated with our pre-pandemic ways of working or the changes brought about by the move to home-working in March 2020. This lack of information is not unique to Sheffield City Council and many other councils and private sector companies have found it challenging to properly quantify the impacts and benefits from a climate perspective of working from home.

4.6.2   A recent report from the EcoAct consultancy summarises the key considerations:

"From an environmental reporting perspective, this shift [to working from home] presents a unique challenge. Companies will be demonstrating a reduction in Scope 1 and 2 emissions performance in line with the reduction of office building energy consumption. Disclosure of these emissions is now common practice due to a mix of compliance schemes and as part of many companies' public commitments in this area. However, despite the reduction, these emissions have not been eliminated, rather they have been relocated to employee homes beyond the company's direct control. Some might argue that the decrease in commuting related emissions makes up for this, but it is difficult to claim this without first accounting for all of your company's operations, including those from homeworkers."

4.6.3   A number of tools have been developed to help provide an estimate of the climate change implications of working from home versus working in the office. At heart all of these tools calculate the carbon emissions associated with being in the office (including the carbon emissions associated with commuting) versus those associated with working from home (including the increased heating and energy costs used while at home).

4.6.4   The exact calculation for any particular individual will depend on a number of factors including:
- Their heating use (how much of their property is being heated, to what temperature and for how many hours per day on average)
- The insulation of their home
- The number of other people who are also at home during the day
- The nature and distance of that person's commute to the office (a long car commute will have higher carbon emissions than a short bus ride)

4.6.5

Other aspects such as lighting and laptop use are likely to be less significant.

4.6.6

The Energy Saving Trust (EST) produced a report in 2014 which suggested that the home energy use of somebody working from home averaged 180kg CO_{2e}. The precise value will depend on the factors listed above. Whether this represented a positive carbon impact or not would depend on the commute avoided by working from home. Because our main office buildings have remained open and heated/cooled as normal throughout the pandemic, there has been little or no carbon saving associated with these and they can disregarded from the perspective of this assessment. Some of our buildings in localities have however been closed through the pandemic although these are largely now reopen as customer access points.

4.6.7

The EST calculated that the following types of commute represented 'tipping points' between a carbon positive and a carbon negative position working from home:

- 4 mile car journey (one way)
- 7 mile bus journey (one way)
- 16 mile train journey (one way)

4.6.8

Commutes longer than this by these modes would result in home working being a less carbon intensive option (so the emissions produced by a >4 mile car commute are greater than those produced by working from home on average). Commutes shorter than this by these modes would result in home working being a more carbon intensive option. This is explained by the fact that office spaces are more energy efficient spaces than domestic homes and the carbon emissions from commuting are less for shorter journeys.

4.6.9

Sheffield City Council information collected as part of the Employee Survey suggests that pre-pandemic:
- 61.5% of employees commuted to work by car
- 19% of employees commuted to work by bus
- 18% cycled, walked or ran
- 6% commuted by tram
- 3.7% commuted by train

4.6.10

Most people (77%) working for Sheffield City Council live within the city boundary, with a third of the remainder living in Rotherham. The city boundary is between 4 and 8 miles from the Town Hall, but it is likely that most people live within 4 miles of the city centre. This means that for most employees using some assumptions about average energy use at home and average carbon emissions associated with commuting, it is likely to be less carbon intensive to be in the office than it is at home. This will clearly vary significantly according to individual circumstances, time of year, energy efficiency of the home, mode of travel etc.

4.6.11

Whilst it is not possible to work out the precise carbon emissions associated with this commuting pattern (and it is likely that the post-pandemic commuting pattern may be different), it seems likely that there will only be at worst, a marginal climate change impact from this proposal, and that it may actually prove to have a small positive impact from a climate change perspective.

5.0   ALTERNATIVE OPTIONS CONSIDERED

5.1   A number of alternative options were considered during the development of the proposals:

A. Retain current working from home arrangements for the cohort of staff concerned. This option was rejected because it would not deliver the broader wellbeing benefits of a hybrid approach, would not enable the collaboration and interaction that is possible from being in the worksite, and would risk the development of a two-tier workforce, with those unable to work from home attending a worksite and those able to do so benefitting from the flexibility of home working

B. Introduce a 'looser' hybrid working arrangement. This option would involve leaving the option of continuing to work from home or a partial or full return to the office open for discussion and agreement at a local level, without setting any organisation-wide expectations of what this would look like. This option was rejected on the basis that it would lead to significant and unwarranted variation between different parts of the organisation, and would be difficult to plan for from a facilities management perspective.

C. Full return to the worksite. This option would see everyone return to their pre-pandemic working arrangements, which for most people would mean a full time return to the office. This option was rejected because it was not in-line with feedback received from employees, would cause significant issues in terms of maintaining a Covid-secure workplace, as well as not capitalising on some of the benefits and improvements that have been observed in working practices over the last 24 months.

6.0   REASONS FOR RECOMMENDATIONS

6.1   The proposal outlined above of a working assumption that all staff who have been working from home through the pandemic spend 40% of their working time in the office/worksite is recommended for the reasons set out in the report, and, in particular, because:
- This proposal will enable a balance to be struck between the benefits that many employees have experienced of working

from home with the benefits of being in the worksite, including opportunities for collaboration and closer team-working

- The proposal best accords with the views of our employees as expressed in the survey conducted in spring 2022
- Providing a clear planning assumption of a 40%/60% split between being in the office versus being at home allows for a managed return to the worksite, whilst still enabling local flexibility to take into account the differing needs of teams and individuals across the organisation.
- The additional expenditure required to support the return to the worksite is proportionate, and aspects of it (e.g. upgrade of our Wi-Fi capability would have been required in any event).